

Vermont Community Broadband Board
Unapproved Governing Board Meeting Minutes
September 09, 2021
Held in GIGA conference room
112 State Street, Montpelier, VT
Christine Hallquist
Executive Director
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09:32 – meeting opened.

Roll call – Board members present; Patty Richards – chair, Dan Nelson, Holly Groschner, Laura Sibilia, Brian Otley

Agenda Change Discussion

A board member requested to add the topic of how to get VCUDA representation and involvement in the Governing Board meetings as an agenda item. Included in this discussion was a request not to ratify the Policies today. There was also a request not to call these “policies” and find another term. On the topic of “overarching standards”, a request was made to discuss the process on how to obtain Communication Union District (CUD) input to these. The policies and over-arching standards discussion will be included in those agenda items as scheduled. The CUD involvement will be added to the agenda.

A motion was made to approve the agenda with the added topic of CUD involvement. Brian Otley moved. Dan Nelson second. Motion passed.

Approval of minutes from 08/26/21 meeting and 09/02/21 meeting

The minutes of 08/26/21 were not taken up as there is an open request to make changes to those minutes.

A motion was made to approve the 09/02/21 meeting minutes. Laura Sibilia moved. Patty Richards second. Motion passed.

Policy Ratification Discussion

A few Board members suggested that the use of the term “policies” may be too strong and that another term might be better. A more appropriate term might be “standards”. We are requested to clarify the intentions of these as quickly as possible. The Board appreciates the need for these for design purposes. The document is a good start. The question is what should the process be for establishing these? A suggestion was made that these are “Work Practice Guidelines.”

The Board requested that staff present the Work Practice Guidelines in the following form:

- Short descriptor (name)
- Criteria
- Bullet points explanation

The topic of base-line data and how this data relates to grant selection criteria was discussed. The request was made that the VCBB compare the PSD data to the CUD data and refer to the PSD data as the baseline. There is an expectation from the Board that the CUDs will use VCBB data and provide feedback on differences between the CUD data and the VCBB data. Report the RDOF data separately. New data from the PSD is expected shortly (October).

How the CUDs handle the RDOF areas will be part of the Grant application and selection process. The board requested that the staff bring in an RDOF expert to a future Board meeting. This should be a PSD driven discussion. Some items to be included in this discussion are the status of the RDOF locations, as well as clarification on the requirements to build in these locations.

The Board discussed the use of the maturity matrix as part of decision criteria. This matrix has not been distributed yet. Included in this matrix shall be a CUD scorecard.

There was a discussion of fiber overbuilds with an expectation that the CUDs will not build in areas where Fiber to the Premise exists or is planned. Included in this discussion was the question of what was meant by “incidental overbuild” of areas already served by 25/3. In the ACT 71 legislation, “incidental” is less than 20%.

The Board recommended that the General Counsel (To be Hired) interpret ACT 71 to guide the policies of the Board.

The Board requested staff to start including a “parking lot” in the Board packet as well as the meeting minutes.

The CUDs raised a concern about one of the proposed Work Practice Guidelines that states the Pre-construction Grants will be determined based on the towns that are members of the CUDs as of June 1, 2021. This Work Practice Guideline originated from the language in ACT 71. This discourages new towns from joining a CUD. The Board indicated that it does not want to discourage towns from being part of a CUD. Staff represented that the changes from June 1 are not substantive. The conclusion is this can be addressed as part of the grant application; however, the June 1 date will be used for the Pre-construction decisions. Construction grants will be discussed later. The question of providing all funds in one Pre-construction grant versus a phased grant will also need to be decided at some point.

The Board requested that staffing status be included as part of the Executive Director weekly report.

The CUDs request expanding the 8085 grants to allow pre-purchase of fiber. The role of VCUDA needs to be included in this discussion.

The future meeting schedule was discussed:

- Meet every two weeks
- Need evaluation criteria and dashboard
- Discuss RDOF locations
- Role of VCUDA

Future dates:

- September 16 – ½ day starting at 9am
- September 28 – no formal meeting; reserve for working groups
- October 4 and beyond – meet every other week from 12 to 4

Affordability Discussion

The Board discussed the question of subsidizing low-income customers. There are concerns about the impact of connection costs due to the high price of using conduit. Many of the mobile home parks along with the multi-family units use conduits, rather than using overhead feeds. This has a substantial impact on low-income residents ability to access broadband.

The conclusion of this discussion included:

- Building a sustainable network model
- CUDs shall include their low-income strategies as part of their grant applications
- Need to make sure CUDs have low-income support
- As part of the 09/16 meeting, have VCUDA address how it plans to provide low-income support
- Address connection costs as part of the grant application process

Public Input

Christa Shute – NEK Broadband

- Phasing, agree that construction costs can be phased, however Pre-construction is different
- Whole design needs to be considered due to the implications of make-ready
- Grants will not fund the entire project
- Need to plan for bond market
- Will need to “refresh” the design later
- Will be providing comments on the June 1 cut-off date

Kristen Fountain – NEK Broadband and VCUDA

- Towns are going to continue to join the CUDs. We need to keep the option open to update the share of grant funds based on the new addresses

Tim Nulty – Mansfield Community Fiber

- If we are going point-to-point with fiber without installing drops, this should not be considered overbuild. These are direct-run fibers used to serve remote unserved addresses

Will Anderson – VCUDA

- Responsible for policy and administration, including interaction with the VCBB
- Will address how VCUDA plans to interact
- Working on:
 - Financial controls
 - Affordability
 - Bulk Purchasing
- Commits to establishing a procedure for how VCUDA can receive decisions ahead of time and how VCUDA will provide input to decisions that the VCBB is making
- Will take responsibility for providing a unified response from the CUDs

Irv Thomae – EC Fiber

- Supports Tim Nulty's comments

12:33 Motion to adjourn. Brian Otley moved. Dan Nelson seconded. Motion passed.

Post meeting request to have State Auditor at future meeting.

Parking Lot

- Overbuild
- RDOF counting – board knowledge
- “Policies”→Guidelines
- June 1, 2021 →formulas and allocations from construction
- Business plans
- Dashboard
- Financial controls→CUD versus State
- Objectives for bond market
- Buying fiber→pre-construction, bulk purchasing, who will do it?